IN THE CLAIMS:

Amend Claims 1, 3, and 5 as follows:

1. (currently amended) A storage device having a lateral storage director, comprising: at least one storage medium;

at least one recording transducer capable of recording data on said storage medium and reading data from said medium;

a storage device controller to control reading data from said storage medium and writing data to said storage medium;

an interface having an interface control adapted to interface the storage device controller with a host;

wherein said lateral storage director has a capability of communicating with the storage device controller, said lateral storage director is coupled with a communication link, and said lateral storage director has a capability of communicating with a lateral storage director of another storage device via said communication link.

- 2. (original) A storage device having a lateral storage director as in claim 1 wherein said lateral storage director includes a communications link address which may be used to accept a query by a lateral storage director of another disk drive.
- 3. (currently amended) A storage device having a lateral storage director as in claim 1 wherein said lateral storage director includes a data file table, and the interface comprises one of a SCSI bus and a Fibre channel.

4. (original) A storage device having a lateral storage director as in claim 1 wherein said

lateral storage director has the capability of determining the available storage space of the

storage device.

5. (currently amended) A storage device having a lateral storage director as in claim 1

wherein said lateral storage director is capable of monitoring a performance parameter selected

from the group consisting of data traffic balance, seek duty cycle, and predictive failure

indicators.

6. (original) A storage device having a lateral storage director as in claim 1 wherein said

storage device is a disk drive.

7. (original) A storage device having a lateral storage director as in claim 1 wherein said

storage device is a tape drive.

8. (original) A storage device having a lateral storage director as in claim 1 wherein said

storage device is an optical drive.

9.-21. (canceled)

Add the following new claims:

22. (new) A computer system, comprising:

a storage controller;

a plurality of storage devices, each having a lateral storage director (LSD);

a communications link for communicating between the storage controller and the

plurality of storage devices;

a host for commanding the storage controller to pass data files to or from one or more of

the plurality of storage devices via the communications link; and wherein

the LSDs in the plurality of storage devices also communicate directly with each other

over the communications link without communication with the storage controller or host.

23. (new) A computer system according to Claim 22, wherein each of the plurality of storage

devices has its own storage device controller, and the LSDs are programs of computer

commands usable by respective ones of the storage device controllers.

24. (new) A computer system according to Claim 22, wherein each of the LSDs are

separately embodied as individual microprocessors that are physically separate from respective

ones of the storage devices.

25. (new) A computer system according to Claim 22, wherein each LSD has a unique

communications link address, and the LSDs accept queries directly from other ones of the LSDs

via the communications link.

26. (new) A computer system according to Claim 22, wherein each LSD includes a data file

table and monitors a performance parameter on respective ones of the storage devices.

- 27. (new) A computer system according to Claim 22, wherein each LSD determines an available storage space on respective ones of the storage devices.
- 28. (new) A computer system according to Claim 22, wherein the plurality of storage devices are selected from the group consisting of disk drives, tape drives, and optical drives.
- 29. (new) A computer system, comprising:
 - a storage controller;
 - a plurality of storage devices, each having a lateral storage director (LSD);
- a communications link for communicating between the storage controller and the plurality of storage devices;
- a host for commanding the storage controller to pass data files to or from one or more of the plurality of storage devices via the communications link; and wherein

the LSDs in the plurality of storage devices also communicate directly with each other over the communications link without communication with the storage controller or host, and each LSD has a unique communications link address such that the LSDs accept queries directly from other ones of the LSDs via the communications link.

30. (new) A computer system according to Claim 29, wherein each of the plurality of storage devices has its own storage device controller, and the LSDs are programs of computer commands usable by respective ones of the storage device controllers.

- 31. (new) A computer system according to Claim 29, wherein each of the LSDs are separately embodied as individual microprocessors that are physically separate from respective ones of the storage devices.
- 32. (new) A computer system according to Claim 29, wherein each LSD includes a data file table and monitors a performance parameter on respective ones of the storage devices selected from the group consisting of available storage space, data traffic balance, seek duty cycle, and predictive failure indicators.
- 33. (new) A computer system according to Claim 29, wherein the plurality of storage devices are selected from the group consisting of disk drives, tape drives, and optical drives.